

Executive Summary – Enforcement Matter – Case No. 47825
Chase Industries, Inc.
RN100244433
Docket No. 2013-1943-AIR-E

Order Type:

1660 Agreed Order

Findings Order Justification:

N/A

Media:

AIR

Small Business:

No

Location(s) Where Violation(s) Occurred:

Chem-Pruf Door, 5224 Farm-To-Market Road 802, Brownsville, Cameron County

Type of Operation:

Composite door manufacturing plant

Other Significant Matters:

Additional Pending Enforcement Actions: No

Past-Due Penalties: No

Other: N/A

Interested Third-Parties: None

Texas Register Publication Date: June 27, 2014

Comments Received: No

Penalty Information

Total Penalty Assessed: \$37,447

Amount Deferred for Expedited Settlement: \$7,489

Amount Deferred for Financial Inability to Pay: \$0

Total Paid to General Revenue: \$14,979

Total Due to General Revenue: \$0

Payment Plan: N/A

SEP Conditional Offset: \$14,979

Name of SEP: Railroad Commission of Texas

Compliance History Classifications:

Person/CN - Satisfactory

Site/RN - Satisfactory

Major Source: Yes

Statutory Limit Adjustment: N/A

Applicable Penalty Policy: September 2011

Investigation Information

Complaint Date(s): N/A

Complaint Information: N/A

Date(s) of Investigation: July 25, 2013

Date(s) of NOE(s): September 9, 2013

Executive Summary – Enforcement Matter – Case No. 47825
Chase Industries, Inc.
RN100244433
Docket No. 2013-1943-AIR-E

Violation Information

1. Failed to perform quarterly visible emissions observations. Specifically, the Respondent failed to conduct quarterly visible emissions observations during the second quarter of 2012 [30 TEX. ADMIN. CODE §§ 116.115(c) and 122.143(4), TEX. HEALTH & SAFETY CODE § 382.085(b), Federal Operating Permit ("FOP") No. 02418, Special Terms and Conditions ("STC") No. 5, and New Source Review ("NSR") Permit No. 19777A, Special Conditions ("SC") No. 4].
2. Failed to equip the ventilation system with filters that achieve an arrestance of at least 98 percent. Specifically, the ventilation systems for Emission Point Numbers ("EPNs") A1, A2, A3, and A4 were not equipped with filters that achieve an arrestance of at least 98 percent as determined by the American Society of Heating, Refrigerating, and Air-Conditioning Engineers Standard 52.1 [30 TEX. ADMIN. CODE §§ 116.115(c) and 122.143(4), TEX. HEALTH & SAFETY CODE § 382.085(b), FOP No. 02418, STC No. 5, and NSR Permit No. 19777A, SC No. 8].
3. Failed to operate and maintain equipment in accordance with manufacturer's recommendations. Specifically, the Respondent was not conducting annual calibrations or maintaining the device used to monitor pressure drops for the Area IV A&B and Area VIII baghouses and was not replacing the bag as necessary whenever the pressure drop across the baghouse no longer met the manufacturer's recommendation [30 TEX. ADMIN. CODE §§ 116.115(c) and 122.143(4), TEX. HEALTH & SAFETY CODE § 382.085(b), FOP No. 02418, STC No. 5, and NSR Permit No. 19777A, SC No. 10].
4. Failed to maintain records. Specifically, the Respondent failed to maintain records of the daily total pounds of each resin, gel coat, and total gallons of each coating/solvent used in each area [30 TEX. ADMIN. CODE §§ 116.115(c) and 122.143(4), TEX. HEALTH & SAFETY CODE § 382.085(b), FOP No. 02418, STC No. 5, and NSR Permit No. 19777A, SC No. 13(B)(1)].
5. Failed to report all instances of deviations. Specifically, the deviation report for the January 1 through June 30, 2012 reporting period did not include a deviation for failure to conduct quarterly visible emissions observations for the second quarter of 2012 [30 TEX. ADMIN. CODE §§ 122.143(4) and 122.145(2)(A), TEX. HEALTH & SAFETY CODE § 382.085(b), and FOP No. 02418, General Terms & Conditions ("GTC")].
6. Failed to comply with annual emissions limit. Specifically, the Respondent exceeded the annual methyl methacrylate ("MMA") emissions limit of 0.06 ton per year based on a rolling 12-month period for EPNs A1, A2, A3, and A4 for the 12-month periods ending in December 2012, March 2013, April 2013, and May 2013, resulting in 0.0015 ton of unauthorized MMA [30 TEX. ADMIN. CODE §§ 116.115(c) and 122.143(4), TEX. HEALTH & SAFETY CODE § 382.085(b), FOP No. 02418, STC No. 5, and NSR Permit No. 19777A, SC No. 2].

Executive Summary – Enforcement Matter – Case No. 47825
Chase Industries, Inc.
RN100244433
Docket No. 2013-1943-AIR-E

7. Failed to submit a Permit Compliance Certification ("PCC") within 30 days of the end of the certification period and failed to submit a deviation report within 30 days after the end of the reporting period. Specifically, the PCC for the January 1, 2012 through December 31, 2012 certification period and the deviation report for the July 1, 2012 through December 31, 2012 reporting period were due by January 30, 2013, but were not submitted until August 8, 2013 [30 TEX. ADMIN. CODE §§ 122.143(4), 122.145(2), and 122.146(2), TEX. HEALTH & SAFETY CODE § 382.085(b), and FOP No. O2418, GTC].

Corrective Actions/Technical Requirements

Corrective Action(s) Completed:

The Respondent has implemented the following corrective measures:

- a. On August 8, 2013, submitted the PCC for the January 1, 2012 through December 31, 2012 certification period and submitted the deviation report for the July 1, 2012 through December 31, 2012 reporting period;
- b. On August 30, 2013, installed the required filters on the ventilation system; and
- c. On January 1, 2014, implemented a maintenance schedule to ensure that visible emissions observations, annual calibrations and maintenance of the device used to monitor pressure drops, and the recommended manufacturer's maintenance for the Area IV A&B and Area VIII baghouses are conducted.

Technical Requirements:

- 1. The Order will require the Respondent to implement and complete a Supplemental Environmental Project ("SEP"). (See SEP Attachment A)
- 2. The Order will also require the Respondent to:
 - a. Within 30 days:
 - i. Implement measures and/or procedures to ensure that all required records are maintained;
 - ii. Implement measures and/or procedures to ensure compliance with the MMA emission rates for EPNs A1, A2, A3, and A4; and
 - iii. Implement measures and/or procedures to ensure that deviation reports are complete and accurate.
 - b. Within 45 days, submit written certification to demonstrate compliance with Ordering Provision a.

Executive Summary – Enforcement Matter – Case No. 47825
Chase Industries, Inc.
RN100244433
Docket No. 2013-1943-AIR-E

Litigation Information

Date Petition(s) Filed: N/A
Date Answer(s) Filed: N/A
SOAH Referral Date: N/A
Hearing Date(s): N/A
Settlement Date: N/A

Contact Information

TCEQ Attorney: N/A
TCEQ Enforcement Coordinator: Amancio R. Gutierrez, Enforcement Division, Enforcement Team 5, MC 149, (512) 239-3921; Candy Garrett, Enforcement Division, MC 219, (512) 239-1456
TCEQ SEP Coordinator: Stuart Beckley, SEP Coordinator, Enforcement Division, MC 219, (512) 239-3565
Respondent: Adolfo Garate, Lead Engineer, Chase Industries, Inc., P.O. Box 4560, Brownsville, Texas 78523
Issac Escorza, Manufacturing Engineer, Chase Industries, Inc., P.O. Box 4560, Brownsville, Texas 78523
Respondent's Attorney: N/A

Attachment A
Docket Number: 2013-1943-AIR-E
SUPPLEMENTAL ENVIRONMENTAL PROJECT

Respondent:	Chase Industries, Inc.
Penalty Amount:	Twenty-Nine Thousand Nine Hundred Fifty-Eight Dollars (\$29,958)
SEP Offset Amount:	Fourteen Thousand Nine Hundred Seventy-Nine Dollars (\$14,979)
Type of SEP:	Contribution to a Third-Party Pre-Approved SEP
Third-Party Administrator:	Railroad Commission of Texas
Project Name:	<i>Alternative Fuels Clean School Bus Replacement Program</i>
Location of SEP:	Statewide, Preference for Cameron County

The Texas Commission on Environmental Quality ("TCEQ") agrees to offset a portion of the administrative penalty amount assessed in this Agreed Order for the Respondent to contribute to a Supplemental Environmental Project ("SEP"). The SEP Offset Amount is set forth above and such offset is conditioned upon completion of the project in accordance with the terms of this Attachment A.

1. Project Description

a. Project

The Respondent shall contribute the SEP Offset Amount to the Third-Party Administrator named above. The contribution will be to the **Railroad Commission of Texas** for the *Alternative Fuels Clean School Bus Replacement Program*. The contribution will be used in accordance with the SEP between the Third-Party Administrator and the TCEQ (the "Project"). Specifically, the contribution will be used to reduce nitrogen oxides, volatile organic compounds, carbon monoxide, and particulate matter emissions by replacing older diesel buses with newer buses that meet more stringent emission standards.

The Third-Party Administrator shall use the SEP Offset Amount for up to 100% of the purchase price of a propane or natural gas powered school bus that is model year 2010 or newer to public school districts and public charter schools to replace a diesel school bus that is model year 2002 or older. The SEP will be done in accordance with all federal, state, and local environmental laws and regulations.

All dollars contributed will be used for the direct cost of implementing the Project, including but not limited to supplies, materials, and equipment. Any portion of this contribution that is not spent on the specifically identified SEP may, at the discretion of the Executive Director ("ED"), be applied to another pre-approved SEP.

The Respondent's signature affixed to this Agreed Order certifies that it has no prior commitment to make this contribution and that it is being contributed solely in an effort to settle this enforcement action. The Respondent shall not profit in any manner from this SEP.

b. Environmental Benefit

This SEP will directly benefit air quality by reducing harmful exhaust emissions which contribute to the formation of ozone and may cause or exacerbate a number of respiratory diseases, including asthma. In addition, by encouraging less school bus idling, this SEP contributes to public awareness of environmental matters.

c. Minimum Expenditure

The Respondent shall contribute at least the SEP Offset Amount to the Third-Party Administrator and comply with all other provisions of this SEP.

2. Performance Schedule

Within 30 days after the effective date of this Agreed Order, the Respondent must contribute the SEP Offset Amount to the Third-Party Administrator. The Respondent shall make the check payable to **Railroad Commission of Texas SEP** and shall mail the contribution with a copy of the Agreed Order to:

Alternative Energy Division
Railroad Commission of Texas
P.O. Box 12967
Austin, Texas 78711-2967

3. Records and Reporting

Concurrent with the payment of the SEP Offset Amount, the Respondent shall provide the Enforcement Division SEP Coordinator with a copy of the check and transmittal letter indicating full payment of the SEP Offset Amount due to the Third-Party Administrator. The Respondent shall mail a copy of the check and transmittal letter to:

Texas Commission on Environmental Quality
Enforcement Division
Attention: SEP Coordinator, MC 219
P.O. Box 13087
Austin, Texas 78711-3087

4. Failure to Fully Perform

If the Respondent does not perform its obligations under this Attachment A, including full expenditure of the SEP Offset Amount and submittal of the required reporting described in Sections 2 and 3 above, the ED may require immediate payment of all or part of the SEP Offset Amount.

In the event the ED determines that the Respondent failed to fully implement and complete the Project, the Respondent shall remit payment for all or a portion of the SEP Offset Amount, as determined by the ED, and as set forth in the attached Agreed Order. After receiving notice of failure to complete the SEP, the Respondent shall include the docket number of the attached Agreed Order and a note that the enclosed payment is for the reimbursement of a SEP; shall make the check payable to "Texas Commission on Environmental Quality;" and shall mail it to:

Texas Commission on Environmental Quality
Litigation Division
Attention: SEP Coordinator, MC 175
P.O. Box 13087
Austin, Texas 78711-3087

5. Publicity

Any public statements concerning this SEP made by or on behalf of the Respondent, must include a clear statement that **the Project was performed as part of the settlement of an enforcement action brought by the TCEQ**. Such statements include advertising, public relations, and press releases.

6. Clean Texas Program

The Respondent shall not include this SEP in any application made to TCEQ under the "Clean Texas" (or any successor) program(s). Similarly, the Respondent may not seek recognition for this contribution in any other state or federal regulatory program.

7. Other SEPs by TCEQ or Other Agencies

The SEP Offset Amount identified in this Agreed Order has not been, and shall not be, included as a SEP for the Respondent under any other Agreed Order negotiated with the TCEQ or any other agency of the state or federal government.



Penalty Calculation Worksheet (PCW)

Policy Revision 3 (September 2011)

PCW Revision August 3, 2011

TCEQ
DATES

Assigned
PCW

16-Sep-2013
22-May-2014

Screening 10-Oct-2013

EPA Due

RESPONDENT/FACILITY INFORMATION

Respondent Chase Industries, Inc.
Reg. Ent. Ref. No. RN100244433
Facility/Site Region 15-Harlingen Major/Minor Source Major

CASE INFORMATION

Enf./Case ID No. 47825 No. of Violations 7
Docket No. 2013-1943-AIR-E Order Type 1660
Media Program(s) Air Government/Non-Profit No
Multi-Media Enf. Coordinator Amancio R. Gutierrez
EC's Team Enforcement Team 5

Admin. Penalty \$ Limit Minimum \$0 Maximum \$25,000

Penalty Calculation Section

TOTAL BASE PENALTY (Sum of violation base penalties)

Subtotal 1 \$28,250

ADJUSTMENTS (+/-) TO SUBTOTAL 1

Subtotals 2-7 are obtained by multiplying the Total Base Penalty (Subtotal 1) by the indicated percentage.

Compliance History 44.0% Enhancement **Subtotals 2, 3, & 7** \$12,430

Notes

Enhancement for one NOV with same or similar violations and two orders containing a denial of liability. Reduction for one notice of intent to conduct an audit.

Culpability

No

0.0% Enhancement

Subtotal 4 \$0

Notes

The Respondent does not meet the culpability criteria.

Good Faith Effort to Comply Total Adjustments

Subtotal 5 -\$3,362

Economic Benefit

Total EB Amounts \$743
Approx. Cost of Compliance \$9,500

0.0% Enhancement*

*Capped at the Total EB \$ Amount

Subtotal 6 \$0

SUM OF SUBTOTALS 1-7

Final Subtotal \$37,318

OTHER FACTORS AS JUSTICE MAY REQUIRE

0.3%

Adjustment \$129

Reduces or enhances the Final Subtotal by the indicated percentage.

Notes

Enhancement to capture the avoided cost of compliance with Violation No. 1.

Final Penalty Amount \$37,447

STATUTORY LIMIT ADJUSTMENT

Final Assessed Penalty \$37,447

DEFERRAL

20.0%

Reduction

Adjustment -\$7,489

Reduces the Final Assessed Penalty by the indicated percentage. (Enter number only; e.g. 20 for 20% reduction.)

Notes

Deferral offered for expedited settlement.

PAYABLE PENALTY

\$29,958

Screening Date 10-Oct-2013

Docket No. 2013-1943-AIR-E

PCW

Respondent Chase Industries, Inc.

Policy Revision 3 (September 2011)

Case ID No. 47825

PCW Revision August 3, 2011

Reg. Ent. Reference No. RN100244433

Media [Statute] Air

Enf. Coordinator Amancio R. Gutierrez

Compliance History Worksheet

>> Compliance History Site Enhancement (Subtotal 2)

Component	Number of...	Enter Number Here	Adjust.
NOVs	Written notices of violation ("NOVs") with same or similar violations as those in the current enforcement action (<i>number of NOVs meeting criteria</i>)	1	5%
	Other written NOVs	0	0%
Orders	Any agreed final enforcement orders containing a denial of liability (<i>number of orders meeting criteria</i>)	2	40%
	Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission	0	0%
Judgments and Consent Decrees	Any non-adjudicated final court judgments or consent decrees containing a denial of liability of this state or the federal government (<i>number of judgements or consent decrees meeting criteria</i>)	0	0%
	Any adjudicated final court judgments and default judgments, or non-adjudicated final court judgments or consent decrees without a denial of liability, of this state or the federal government	0	0%
Convictions	Any criminal convictions of this state or the federal government (<i>number of counts</i>)	0	0%
Emissions	Chronic excessive emissions events (<i>number of events</i>)	0	0%
Audits	Letters notifying the executive director of an intended audit conducted under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (<i>number of audits for which notices were submitted</i>)	1	-1%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (<i>number of audits for which violations were disclosed</i>)	0	0%
Please Enter Yes or No			
Other	Environmental management systems in place for one year or more	No	0%
	Voluntary on-site compliance assessments conducted by the executive director under a special assistance program	No	0%
	Participation in a voluntary pollution reduction program	No	0%
	Early compliance with, or offer of a product that meets future state or federal government environmental requirements	No	0%

Component	Number of...	Enter Number Here	Adjust.
NOVs	Written notices of violation ("NOVs") with same or similar violations as those in the current enforcement action (<i>number of NOVs meeting criteria</i>)	1	5%
	Other written NOVs	0	0%
Orders	Any agreed final enforcement orders containing a denial of liability (<i>number of orders meeting criteria</i>)	2	40%
	Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission	0	0%
Judgments and Consent Decrees	Any non-adjudicated final court judgments or consent decrees containing a denial of liability of this state or the federal government (<i>number of judgements or consent decrees meeting criteria</i>)	0	0%
	Any adjudicated final court judgments and default judgments, or non-adjudicated final court judgments or consent decrees without a denial of liability, of this state or the federal government	0	0%
Convictions	Any criminal convictions of this state or the federal government (<i>number of counts</i>)	0	0%
Emissions	Chronic excessive emissions events (<i>number of events</i>)	0	0%
Audits	Letters notifying the executive director of an intended audit conducted under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (<i>number of audits for which notices were submitted</i>)	1	-1%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (<i>number of audits for which violations were disclosed</i>)	0	0%

Please Enter Yes or No

Other	Environmental management systems in place for one year or more	No	0%
	Voluntary on-site compliance assessments conducted by the executive director under a special assistance program	No	0%
	Participation in a voluntary pollution reduction program	No	0%
	Early compliance with, or offer of a product that meets future state or federal government environmental requirements	No	0%

Adjustment Percentage (Subtotal 2) 44%

>> Repeat Violator (Subtotal 3)

No

Adjustment Percentage (Subtotal 3) 0%

>> Compliance History Person Classification (Subtotal 7)

Satisfactory Performer

Adjustment Percentage (Subtotal 7) 0%

>> Compliance History Summary

Compliance
History
Notes

Enhancement for one NOV with same or similar violations and two orders containing a denial of liability. Reduction for one notice of intent to conduct an audit.

Total Compliance History Adjustment Percentage (Subtotals 2, 3, & 7) 44%

>> Final Compliance History Adjustment

Final Adjustment Percentage *capped at 100% 44%

Screening Date 10-Oct-2013

Docket No. 2013-1943-AIR-E

PCW

Respondent Chase Industries, Inc.

Policy Revision 3 (September 2011)

Case ID No. 47825

PCW Revision August 3, 2011

Reg. Ent. Reference No. RN100244433

Media [Statute] Air

Enf. Coordinator Amancio R. Gutierrez

Violation Number 1

Rule Cite(s)

30 Tex. Admin. Code §§ 116.115(c) and 122.143(4), Tex. Health & Safety Code § 382.085(b), Federal Operating Permit ("FOP") No. 02418, Special Terms and Conditions ("STC") No. 5, and New Source Review ("NSR") Permit No. 19777A, Special Conditions ("SC") No. 4

Violation Description

Failed to perform quarterly visible emissions observations. Specifically, the Respondent failed to conduct quarterly visible emissions observations during the second quarter of 2012.

Base Penalty \$25,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual			
Potential			x

Percent 7.0%

>> Programmatic Matrix

Falsification	Major	Moderate	Minor

Percent 0.0%

Matrix Notes

Human health or the environment will or could be exposed to insignificant amounts of pollutants which would not exceed levels that are protective of human health or environmental receptors as a result of the violation.

Adjustment \$23,250

\$1,750

Violation Events

Number of Violation Events 1

2 Number of violation days

mark only one with an x	daily	
	weekly	
	monthly	
	quarterly	
	semiannual	
	annual	
	single event	x

Violation Base Penalty \$1,750

One single event is recommended.

Good Faith Efforts to Comply

10.0% Reduction

\$175

Before NOV NOV to EDPRP/Settlement Offer

Extraordinary		
Ordinary		x
N/A		(mark with x)

Notes

The Respondent completed corrective measures on January 1, 2014, after the September 9, 2013 Notice of Enforcement ("NOE").

Violation Subtotal \$1,575

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$167

Violation Final Penalty Total \$2,353

This violation Final Assessed Penalty (adjusted for limits) \$2,353

Economic Benefit Worksheet

Respondent Chase Industries, Inc.
Case ID No. 47825
Reg. Ent. Reference No. RN100244433
Media Air
Violation No. 1

Percent Interest 5.0
Years of Depreciation 15

Item Cost Date Required Final Date Yrs Interest Saved Onetime Costs EB Amount
Item Description No commas or \$

Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)	\$500	30-Jun-2012	1-Jan-2014	1.51	\$38	n/a	\$38

Notes for DELAYED costs

Estimated cost to develop and implement a maintenance schedule to ensure that visible emissions observations are conducted on time. The Date Required is the date the quarterly observation was due and the Final Date is the date of compliance.

Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling	\$500	1-Apr-2012	30-Jun-2012	0.25	\$6	\$123	\$129
Supplies/equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Estimated avoided cost to conduct visible emissions observations in the second quarter of 2012 (\$125/observation x 4 quarterly observations/year). The Date Required is the first date the quarterly observation could be conducted and the Final Date is the last date the observations could be conducted.

Approx. Cost of Compliance

\$1,000

TOTAL

\$167

Screening Date 10-Oct-2013
Respondent Chase Industries, Inc.
Case ID No. 47825

Docket No. 2013-1943-AIR-E

PCW

Policy Revision 3 (September 2011)

PCW Revision August 3, 2011

Reg. Ent. Reference No. RN100244433

Media [Statute] Air

Enf. Coordinator Amancio R. Gutierrez

Violation Number 2

Rule Cite(s) 30 Tex. Admin. Code §§ 116.115(c) and 122.143(4), Tex. Health & Safety Code § 382.085(b), FOP No. 02418, STC No. 5, and NSR Permit No. 19777A, SC No. 8

Violation Description

Failed to equip the ventilation system with filters that achieve an arrestance of at least 98 percent. Specifically, the ventilation systems for Emission Point Numbers ("EPNs") A1, A2, A3, and A4 were not equipped with filters that achieve an arrestance of at least 98 percent as determined by the American Society of Heating, Refrigerating, and Air-Conditioning Engineers Standard 52.1.

Base Penalty \$25,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual			x
Potential			

Percent 15.0%

>> Programmatic Matrix

Falsification	Major	Moderate	Minor

Percent 0.0%

Matrix Notes

Human health or the environment has been exposed to insignificant amounts of pollutants which do not exceed levels that are protective of human health or environmental receptors as a result of the violation.

Adjustment \$21,250

\$3,750

Violation Events

Number of Violation Events 1

36 Number of violation days

mark only one with an x

daily	
weekly	
monthly	
quarterly	x
semiannual	
annual	
single event	

Violation Base Penalty \$3,750

One quarterly event is recommended from the July 25, 2013 investigation date to the August 30, 2013 compliance date.

Good Faith Efforts to Comply

25.0% Reduction

\$937

	Before NOV		NOV to EDPRP/Settlement Offer
	Extraordinary	Ordinary	
		x	
N/A			(mark with x)

Notes

The Respondent completed corrective measures on August 30, 2013, before the September 9, 2013 NOE.

Violation Subtotal \$2,813

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$10

Violation Final Penalty Total \$4,478

This violation Final Assessed Penalty (adjusted for limits) \$4,478

Economic Benefit Worksheet

Respondent Chase Industries, Inc.

Case ID No. 47825

Reg. Ent. Reference No. RN100244433

Media Air

Violation No. 2

Percent Interest 5.0

Years of Depreciation 15

Item Cost Date Required Final Date Yrs Interest Saved Onetime Costs EB Amount
Item Description No commas or \$

Delayed Costs

Equipment	\$1,500	25-Jul-2013	30-Aug-2013	0.10	\$0	\$10	\$10
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)				0.00	\$0	n/a	\$0

Notes for DELAYED costs

Estimated cost to install the required filters on the ventilation system. The Date Required is the date of the investigation and the Final Date is the date of compliance.

Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$1,500

TOTAL

\$10

Screening Date 10-Oct-2013
Respondent Chase Industries, Inc.
Case ID No. 47825

Docket No. 2013-1943-AIR-E

PCW

Policy Revision 3 (September 2011)

PCW Revision August 3, 2011

Reg. Ent. Reference No. RN100244433

Media [Statute] Air

Enf. Coordinator Amancio R. Gutierrez

Violation Number 3

Rule Cite(s)

30 Tex. Admin. Code §§ 116.115(c) and 122.143(4), Tex. Health & Safety Code § 382.085(b), FOP No. 02418, STC No. 5, and NSR Permit No. 19777A, SC No. 10

Violation Description

Failed to operate and maintain equipment in accordance with manufacturer's recommendations. Specifically, the Respondent was not conducting annual calibrations or maintaining the device used to monitor pressure drops for the Area IV A&B and Area VIII baghouses and was not replacing the bag as necessary whenever the pressure drop across the baghouse no longer met the manufacturer's recommendation.

Base Penalty \$25,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual			X
Potential			

Percent 15.0%

>> Programmatic Matrix

Falsification	Major	Moderate	Minor

Percent 0.0%

Matrix Notes

Human health or the environment has been exposed to insignificant amounts of pollutants which do not exceed levels that are protective of human health or environmental receptors as a result of the violation.

Adjustment \$21,250

\$3,750

Violation Events

Number of Violation Events 1

77 Number of violation days

mark only one with an x	daily	
	weekly	
	monthly	
	quarterly	X
	semiannual	
	annual	
	single event	

Violation Base Penalty \$3,750

One quarterly event is recommended from the July 25, 2013 investigation date to the October 10, 2013 screening date.

Good Faith Efforts to Comply

10.0% Reduction

\$375

Extraordinary

Before NOV NOV to EDPRP/Settlement Offer

Ordinary

X

N/A

(mark with x)

Notes

The Respondent completed corrective measures on January 1, 2014, after the September 9, 2013 NOE.

Violation Subtotal \$3,375

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$38

Violation Final Penalty Total \$5,042

This violation Final Assessed Penalty (adjusted for limits) \$5,042

Economic Benefit Worksheet

Respondent Chase Industries, Inc.

Case ID No. 47825

Reg. Ent. Reference No. RN100244433

Media Air

Violation No. 3

Percent Interest 5.0

Years of Depreciation 15

Item Cost Date Required Final Date Yrs Interest Saved Onetime Costs EB Amount
Item Description No commas or \$

Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)	\$500	30-Jun-2012	1-Jan-2014	1.51	\$38	n/a	\$38

Notes for DELAYED costs

Estimated cost to develop and implement a maintenance schedule to ensure that annual calibrations and maintenance of the device used to monitor pressure drops and the recommended manufacturer's maintenance for the Area IV A&B and Area VIII baghouses are conducted. The Date Required is the first date of non-compliance and the Final Date is the date of compliance.

Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$500

TOTAL

\$38

Screening Date 10-Oct-2013
Respondent Chase Industries, Inc.
Case ID No. 47825

Docket No. 2013-1943-AIR-E

PCW

Policy Revision 3 (September 2011)

PCW Revision August 3, 2011

Reg. Ent. Reference No. RN100244433

Media [Statute] Air

Enf. Coordinator Amancio R. Gutierrez

Violation Number 4

Rule Cite(s)

30 Tex. Admin. Code §§ 116.115(c) and 122.143(4), Tex. Health & Safety Code § 382.085(b), FOP No. 02418, STC No. 5, and NSR Permit No. 19777A, SC No. 13(B)(1)

Violation Description

Failed to maintain records. Specifically, the Respondent failed to maintain records of the daily total pounds of each resin, gel coat, and total gallons of each coating/solvent used in each area.

Base Penalty \$25,000

>> Environmental, Property and Human Health Matrix

Release	Harm			Percent
	Major	Moderate	Minor	
Actual				0.0%
Potential				

>> Programmatic Matrix

Falsification	Major	Moderate	Minor	Percent
	x			15.0%

Matrix Notes

100% of the permit requirement was not met.

Adjustment \$21,250

\$3,750

Violation Events

Number of Violation Events 1 77 Number of violation days

mark only one with an x	daily	
	weekly	
	monthly	
	quarterly	
	semiannual	
	annual	
	single event	x

Violation Base Penalty \$3,750

One single event is recommended.

Good Faith Efforts to Comply

0.0% Reduction

\$0

	Before NOV	NOV to EDPRP/Settlement Offer
Extraordinary		
Ordinary		
N/A	x	(mark with x)

Notes The Respondent does not meet the good faith criteria for this violation.

Violation Subtotal \$3,750

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$41

Violation Final Penalty Total \$5,419

This violation Final Assessed Penalty (adjusted for limits) \$5,419

Economic Benefit Worksheet

Respondent Chase Industries, Inc.

Case ID No. 47825

Reg. Ent. Reference No. RN100244433

Media Air

Violation No. 4

Percent Interest 5.0

Years of Depreciation

15

Item Cost Date Required Final Date Yrs Interest Saved Onetime Costs EB Amount
Item Description No commas or \$

Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System	\$750	25-Jul-2013	30-Aug-2014	1.10	\$41	n/a	\$41
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)				0.00	\$0	n/a	\$0

Notes for DELAYED costs

Estimated cost to implement measures and/or procedures to ensure that all required records are maintained. The Date Required is the date of the investigation and the Final Date is the estimated date of compliance.

Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$750

TOTAL

\$41

Screening Date 10-Oct-2013

Docket No. 2013-1943-AIR-E

PCW

Respondent Chase Industries, Inc.

Policy Revision 3 (September 2011)

Case ID No. 47825

PCW Revision August 3, 2011

Reg. Ent. Reference No. RN100244433

Media [Statute] Air

Enf. Coordinator Amancio R. Gutierrez

Violation Number 5

Rule Cite(s)

30 Tex. Admin. Code §§ 122.143(4) and 122.145(2)(A), Tex. Health & Safety Code § 382.085(b), and FOP No. O2418, General Terms & Conditions ("GTC")

Violation Description

Failed to report all instances of deviations. Specifically, the deviation report for the January 1 through June 30, 2012 reporting period did not include a deviation for failure to conduct quarterly visible emissions observations for the second quarter of 2012.

Base Penalty \$25,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual			
Potential			

Percent 0.0%

>> Programmatic Matrix

Falsification			
	Major	Moderate	Minor
			x

Percent 1.0%

Matrix Notes

At least 70% of the rule requirement was met.

Adjustment \$24,750

\$250

Violation Events

Number of Violation Events

1

437

Number of violation days

mark only one
with an x

daily	
weekly	
monthly	
quarterly	
semiannual	
annual	
single event	x

Violation Base Penalty \$250

One single event is recommended.

Good Faith Efforts to Comply

0.0%

Reduction

\$0

Extraordinary

Before NOV

NOV to EDPRP/Settlement Offer

Ordinary

N/A

x

(mark with x)

Notes

The Respondent does not meet the good faith criteria for this violation.

Violation Subtotal \$250

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount

\$182

Violation Final Penalty Total

\$361

This violation Final Assessed Penalty (adjusted for limits)

\$361

Economic Benefit Worksheet

Respondent Chase Industries, Inc.

Case ID No. 47825

Reg. Ent. Reference No. RN100244433

Media Air

Violation No. 5

Percent Interest 5.0
Years of Depreciation 15

Item Cost Date Required Final Date Yrs Interest Saved Onetime Costs EB Amount
Item Description No commas or \$

Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)	\$1,750	30-Jul-2012	30-Aug-2014	2.08	\$182	n/a	\$182

Notes for DELAYED costs

Estimated cost to implement measures and/or procedures to ensure that deviation reports are complete and accurate. The Date Required is the date the deviation report was due and the Final Date is the estimated date of compliance.

Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$1,750

TOTAL

\$182

Screening Date 10-Oct-2013

Docket No. 2013-1943-AIR-E

PCW

Respondent Chase Industries, Inc.

Policy Revision 3 (September 2011)

Case ID No. 47825

PCW Revision August 3, 2011

Reg. Ent. Reference No. RN100244433

Media [Statute] Air

Enf. Coordinator Amancio R. Gutierrez

Violation Number 6

Rule Cite(s)

30 Tex. Admin. Code §§ 116.115(c) and 122.143(4), Tex. Health & Safety Code § 382.085(b), FOP No. 02418, STC No. 5, and NSR Permit No. 19777A, SC No. 2

Violation Description

Failed to comply with annual emissions limit. Specifically, the Respondent exceeded the annual methyl methacrylate ("MMA") emissions limit of 0.06 ton per year based on a rolling 12-month period for EPNs A1, A2, A3, and A4 for the 12-month periods ending in December 2012, March 2013, April 2013, and May 2013, resulting in 0.0015 ton of unauthorized MMA.

Base Penalty \$25,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual			x
Potential			

Percent 15.0%

>> Programmatic Matrix

Falsification	Major	Moderate	Minor

Percent 0.0%

Matrix Notes

Human health or the environment has been exposed to insignificant amounts of pollutants which do not exceed levels that are protective of human health or environmental receptors as a result of the violation.

Adjustment \$21,250

\$3,750

Violation Events

Number of Violation Events 2

181 Number of violation days

mark only one with an x

daily	
weekly	
monthly	
quarterly	x
semiannual	
annual	
single event	

Violation Base Penalty \$7,500

Two quarterly events are recommended for the period of non-compliance from December 31, 2012 through May 31, 2013.

Good Faith Efforts to Comply

0.0% Reduction

\$0

Before NOV NOV to EDPRP/Settlement Offer

Extraordinary		
Ordinary		
N/A	x	(mark with x)

Notes

The Respondent does not meet the good faith criteria for this violation.

Violation Subtotal \$7,500

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$291

Violation Final Penalty Total \$10,837

This violation Final Assessed Penalty (adjusted for limits) \$10,837

Economic Benefit Worksheet

Respondent Chase Industries, Inc.

Case ID No. 47825

Reg. Ent. Reference No. RN100244433

Media Air

Violation No. 6

Percent Interest 5.0
Years of Depreciation 15

Item Cost Date Required Final Date Yrs Interest Saved Onetime Costs EB Amount
Item Description No commas or \$

Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)	\$3,500	31-Dec-2012	30-Aug-2014	1.66	\$291	n/a	\$291

Notes for DELAYED costs

Estimated cost to implement measures and/or procedures to ensure compliance with the MMA emission rates. The Date Required is the date of the first date of non-compliance and the Final Date is the estimated date of compliance.

Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$3,500

TOTAL

\$291

Screening Date 10-Oct-2013
Respondent Chase Industries, Inc.
Case ID No. 47825

Docket No. 2013-1943-AIR-E

PCW

Policy Revision 3 (September 2011)

PCW Revision August 3, 2011

Reg. Ent. Reference No. RN100244433

Media [Statute] Air

Enf. Coordinator Amancio R. Gutierrez

Violation Number 7

Rule Cite(s) 30 Tex. Admin. Code §§ 122.143(4), 122.145(2), and 122.146(2), Tex. Health & Safety Code § 382.085(b), and FOP No. O2418, GTC

Violation Description

Failed to submit a Permit Compliance Certification ("PCC") within 30 days of the end of the certification period. Also, failed to submit a deviation report within 30 days after the end of the reporting period. Specifically, the PCC for the January 1, 2012 through December 31, 2012 certification period and the deviation report for the July 1, 2012 through December 31, 2012 reporting period were due by January 30, 2013, but were not submitted until August 8, 2013.

Base Penalty \$25,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual			
Potential			

Percent 0.0%

>> Programmatic Matrix

Falsification	Major	Moderate	Minor
	x		

Percent 15.0%

Matrix Notes

100% of the rule requirement was not met.

Adjustment \$21,250

\$3,750

Violation Events

Number of Violation Events 2

252 Number of violation days

mark only one with an x	daily	
	weekly	
	monthly	
	quarterly	
	semiannual	
	annual	
	single event	x

Violation Base Penalty \$7,500

Two single events are recommended, one for the compliance certification and one for the deviation report.

Good Faith Efforts to Comply

25.0% Reduction

\$1,875

	Before NOV		NOV to EDPRP/Settlement Offer
	Extraordinary	Ordinary	
		x	
N/A			(mark with x)

Notes

The Respondent completed corrective measures on August 8, 2013, before the September 9, 2013 NOE.

Violation Subtotal \$5,625

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$13

Violation Final Penalty Total \$8,956

This violation Final Assessed Penalty (adjusted for limits) \$8,956

Economic Benefit Worksheet

Respondent Chase Industries, Inc.

Case ID No. 47825

Reg. Ent. Reference No. RN100244433

Media Air

Violation No. 7

Percent Interest 5.0

Years of Depreciation 15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Overtime Costs	EB Amount
No commas or \$							

Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)	\$500	30-Jan-2013	8-Aug-2013	0.52	\$13	n/a	\$13

Notes for DELAYED costs

Estimated cost to submit the PCC and deviation report. The Date Required is the date the compliance certification and deviation report were due and the Final Date is the date of compliance.

Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$500

TOTAL

\$13



Compliance History Report

PUBLISHED Compliance History Report for CN603961947, RN100244433, Rating Year 2013 which includes Compliance History (CH) components from September 1, 2008, through August 31, 2013.

Customer, Respondent, or Owner/Operator: CN603961947, Chase Industries, Inc.

Classification: SATISFACTORY

Rating: 23.63

Regulated Entity: RN100244433, CHEM-PRUF DOOR

Classification: SATISFACTORY

Rating: 23.63

Complexity Points: 5

Repeat Violator: NO

CH Group: 14 - Other

Location: 5224 FM 802 BROWNSVILLE, TX 78526-5217, CAMERON COUNTY

TCEQ Region: REGION 15 - HARLINGEN

ID Number(s):

AIR OPERATING PERMITS ACCOUNT NUMBER CD0215I

AIR OPERATING PERMITS PERMIT 2418

AIR OPERATING PERMITS ACCOUNT NUMBER CD0215T

AIR NEW SOURCE PERMITS PERMIT 19777A

AIR NEW SOURCE PERMITS ACCOUNT NUMBER CD0215T

AIR NEW SOURCE PERMITS AFS NUM 4806100087

AIR EMISSIONS INVENTORY ACCOUNT NUMBER CD0215T

INDUSTRIAL AND HAZARDOUS WASTE OTS REQUEST 35913

INDUSTRIAL AND HAZARDOUS WASTE OTS REQUEST 35917

INDUSTRIAL AND HAZARDOUS WASTE EPA ID
TXP490350898

Compliance History Period: September 01, 2008 to August 31, 2013

Rating Year: 2013

Rating Date: 09/01/2013

Date Compliance History Report Prepared: January 31, 2014

Agency Decision Requiring Compliance History: Enforcement

Component Period Selected: January 31, 2009 to January 31, 2014

TCEQ Staff Member to Contact for Additional Information Regarding This Compliance History.

Name: Amancio R. Gutierrez

Phone: (512) 239-3921

Site and Owner/Operator History:

- 1) Has the site been in existence and/or operation for the full five year compliance period? YES
- 2) Has there been a (known) change in ownership/operator of the site during the compliance period? NO
- 3) If **YES** for #2, who is the current owner/operator? N/A
- 4) If **YES** for #2, who was/were the prior owner(s)/operator(s)? N/A
- 5) If **YES**, when did the change(s) in owner or operator occur? N/A

Components (Multimedia) for the Site Are Listed in Sections A - J

A. Final Orders, court judgments, and consent decrees:

- 1 Effective Date: 02/20/2011 ADMINORDER 2010-1123-AIR-E (1660 Order-Agreed Order With Denial)

Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)

5C THSC Chapter 382 382.085(b)

Rqmt Prov: NSR 19777A GC 8 OP

Description: Failed to maintain the volatile organic compound ("VOC") and acetone emissions within the permitted annual emissions rates. Specifically, the annual VOC emissions rate for the Gelcoat Room Vent (Emission Point No. 5A) is 5.14 tons per year ("tpy"), and the Respondent released 7.38 tpy of VOCs in 2007, 7.30 tpy of VOCs in 2008, and 5.23 tpy of VOCs in 2009. In addition, the total permitted annual emissions rate for acetone is 27.50 tpy and 28.19 tpy was released in 2009.

- 2 Effective Date: 07/06/2012 ADMINORDER 2011-1648-AIR-E (1660 Order-Agreed Order With Denial)

Classification: Moderate

Citation: 30 TAC Chapter 122, SubChapter B 122.146(5)(C)

5C THSC Chapter 382 382.085(b)

Rqmt Prov: General Terms and Conditions OP

Description: Failed to include all deviations on an annual compliance certification ("ACC"). Specifically, the ACC for the January 2, 2010 through January 1, 2011 certification period did not include exceedances of the emission rates for volatile organic compounds and acetone from the Gelcoat Room Vent.

Classification: Minor

Citation: 30 TAC Chapter 122, SubChapter B 122.145(2)(A)

30 TAC Chapter 122, SubChapter B 122.145(2)(C)

5C THSC Chapter 382 382.085(b)

Rqmt Prov: General Terms and Conditions OP

Description: Failed to timely and accurately report all deviations. Specifically, the semi-annual deviation report for the July 1, 2010 through December 31, 2010 reporting period was not submitted until June 23, 2011 and did not include all instances of deviation for the time period

Classification: Moderate

Citation: 30 TAC Chapter 122, SubChapter B 122.145(2)(B)

5C THSC Chapter 382 382.085(b)

Rqmt Prov: General Terms and Conditions OP

Description: Failed to submit the semi-annual deviation report for the period of January 1, 2010 through June 30, 2010

B. Criminal convictions:

N/A

C. Chronic excessive emissions events:

N/A

D. The approval dates of investigations (CCEDS Inv. Track. No.):

N/A

E. Written notices of violations (NOV) (CCEDS Inv. Track. No.):

A notice of violation represents a written allegation of a violation of a specific regulatory requirement from the commission to a regulated entity. A notice of violation is not a final enforcement action, nor proof that a violation has actually occurred.

1	Date:	07/25/2013	(1087714)	CN603961947
	Self Report?	NO		Classification: Moderate
	Citation:	19777A, SC 13(B)(2) PERMIT 30 TAC Chapter 116, SubChapter B 116.115(c) 30 TAC Chapter 122, SubChapter B 122.143(4) 5C THSC Chapter 382 382.085(b) O2418, STC 5 OP		
	Description:	Failure of the holder of permits, special permits, standard permits, and special exemptions to comply with all special conditions contained in the permit document.		

F. Environmental audits:

Notice of Intent Date: 06/27/2011 (936451)

No DOV Associated

G. Type of environmental management systems (EMSs):

N/A

H. Voluntary on-site compliance assessment dates:

N/A

I. Participation in a voluntary pollution reduction program:

N/A

J. Early compliance:

N/A

Sites Outside of Texas:

N/A

Published Compliance History Report for CN603961947, RN100244433, Rating Year 2013 which includes Compliance History (CH) components from January 31, 2009, through January 31, 2014.

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



**IN THE MATTER OF AN
ENFORCEMENT ACTION
CONCERNING
CHASE INDUSTRIES, INC.
RN100244433**

**§ BEFORE THE
§
§ TEXAS COMMISSION ON
§
§ ENVIRONMENTAL QUALITY**

AGREED ORDER DOCKET NO. 2013-1943-AIR-E

I. JURISDICTION AND STIPULATIONS

On _____, the Texas Commission on Environmental Quality ("the Commission" or "TCEQ") considered this agreement of the parties, resolving an enforcement action regarding Chase Industries, Inc. ("Respondent") under the authority of TEX. HEALTH & SAFETY CODE ch. 382 and TEX. WATER CODE ch. 7. The Executive Director of the TCEQ, through the Enforcement Division, and the Respondent together stipulate that:

1. The Respondent owns and operates a composite door manufacturing plant at 5224 Farm-To-Market Road 802 in Brownsville, Cameron County, Texas (the "Plant").
2. The Plant consists of one or more sources as defined in TEX. HEALTH & SAFETY CODE § 382.003(12).
3. The Executive Director and the Respondent agree that the Commission has jurisdiction to enter this Agreed Order, and that the Respondent is subject to the Commission's jurisdiction.
4. The Respondent received notice of the violations alleged in Section II ("Allegations") on or about September 14, 2013.
5. The occurrence of any violation is in dispute and the entry of this Agreed Order shall not constitute an admission by the Respondent of any violation alleged in Section II ("Allegations"), nor of any statute or rule.
6. An administrative penalty in the amount of Thirty-Seven Thousand Four Hundred Forty-Seven Dollars (\$37,447) is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). The Respondent has paid Fourteen Thousand Nine Hundred Seventy-Nine Dollars (\$14,979) of the administrative penalty and Seven

Thousand Four Hundred Eighty-Nine Dollars (\$7,489) is deferred contingent upon the Respondent's timely and satisfactory compliance with all the terms of this Agreed Order. The deferred amount will be waived upon full compliance with the terms of this Agreed Order. If the Respondent fails to timely and satisfactorily comply with all requirements of this Agreed Order, the Executive Director may require the Respondent to pay all or part of the deferred penalty. Fourteen Thousand Nine Hundred Seventy-Nine Dollars (\$14,979) shall be conditionally offset by the Respondent's completion of a Supplemental Environmental Project ("SEP").

7. Any notice and procedures, which might otherwise be authorized or required in this action, are waived in the interest of a more timely resolution of the matter.
8. The Executive Director and the Respondent agree on a settlement of the matters alleged in this enforcement action, subject to final approval in accordance with 30 TEX. ADMIN. CODE § 70.10(a).
9. The Executive Director recognizes that the Respondent has implemented the following corrective measures at the Plant:
 - a. On August 8, 2013, submitted the Permit Compliance Certification ("PCC") for the January 1, 2012 through December 31, 2012 certification period and submitted the deviation report for the July 1, 2012 through December 31, 2012 reporting period;
 - b. On August 30, 2013, installed the required filters on the ventilation system; and
 - c. On January 1, 2014, implemented a maintenance schedule to ensure that visible emissions observations, annual calibrations and maintenance of the device used to monitor pressure drops, and the recommended manufacturer's maintenance for the Area IV A&B and Area VIII baghouses are conducted.
10. The Executive Director may, without further notice or hearing, refer this matter to the Office of the Attorney General of the State of Texas ("OAG") for further enforcement proceedings if the Executive Director determines that the Respondent has not complied with one or more of the terms or conditions in this Agreed Order.
11. This Agreed Order shall terminate five years from its effective date or upon compliance with all the terms and conditions set forth in this Agreed Order, whichever is later.
12. The provisions of this Agreed Order are deemed severable and, if a court of competent jurisdiction or other appropriate authority deems any provision of this Agreed Order unenforceable, the remaining provisions shall be valid and enforceable.

II. ALLEGATIONS

As owner and operator of the Plant, the Respondent is alleged to have:

1. Failed to perform quarterly visible emissions observations, in violation of 30 TEX. ADMIN. CODE §§ 116.115(c) and 122.143(4), TEX. HEALTH & SAFETY CODE § 382.085(b),

Federal Operating Permit ("FOP") No. O2418, Special Terms and Conditions ("STC") No. 5, and New Source Review ("NSR") Permit No. 19777A, Special Conditions ("SC") No. 4, as documented during an investigation conducted on July 25, 2013. Specifically, the Respondent failed to conduct quarterly visible emissions observations during the second quarter of 2012.

2. Failed to equip the ventilation system with filters that achieve an arrestance of at least 98 percent, in violation of 30 TEX. ADMIN. CODE §§ 116.115(c) and 122.143(4), TEX. HEALTH & SAFETY CODE § 382.085(b), FOP No. O2418, STC No. 5, and NSR Permit No. 19777A, SC No. 8, as documented during an investigation conducted on July 25, 2013. Specifically, the ventilation systems for Emission Point Numbers ("EPNs") A1, A2, A3, and A4 were not equipped with filters that achieve an arrestance of at least 98 percent as determined by the American Society of Heating, Refrigerating, and Air-Conditioning Engineers Standard 52.1.
3. Failed to operate and maintain equipment in accordance with manufacturer's recommendations, in violation of 30 TEX. ADMIN. CODE §§ 116.115(c) and 122.143(4), TEX. HEALTH & SAFETY CODE § 382.085(b), FOP No. O2418, STC No. 5, and NSR Permit No. 19777A, SC No. 10, as documented during an investigation conducted on July 25, 2013. Specifically, the Respondent was not conducting annual calibrations or maintaining the device used to monitor pressure drops for the Area IV A&B and Area VIII baghouses and was not replacing the bag as necessary whenever the pressure drop across the baghouse no longer met the manufacturer's recommendation.
4. Failed to maintain records, in violation of 30 TEX. ADMIN. CODE §§ 116.115(c) and 122.143(4), TEX. HEALTH & SAFETY CODE § 382.085(b), FOP No. O2418, STC No. 5, and NSR Permit No. 19777A, SC No. 13(B)(1), as documented during an investigation conducted on July 25, 2013. Specifically, the Respondent failed to maintain records of the daily total pounds of each resin, gel coat, and total gallons of each coating/solvent used in each area.
5. Failed to report all instances of deviations, in violation of 30 TEX. ADMIN. CODE §§ 122.143(4) and 122.145(2)(A), TEX. HEALTH & SAFETY CODE § 382.085(b), and FOP No. O2418, General Terms & Conditions ("GTC"), as documented during an investigation conducted on July 25, 2013. Specifically, the deviation report for the January 1 through June 30, 2012 reporting period did not include a deviation for failure to conduct quarterly visible emissions observations for the second quarter of 2012.
6. Failed to comply with annual emissions limit, in violation of 30 TEX. ADMIN. CODE §§ 116.115(c) and 122.143(4), TEX. HEALTH & SAFETY CODE § 382.085(b), FOP No. O2418, STC No. 5, and NSR Permit No. 19777A, SC No. 2, as documented during an investigation conducted on July 25, 2013. Specifically, the Respondent exceeded the annual methyl methacrylate ("MMA") emissions limit of 0.06 ton per year based on a rolling 12-month period for EPNs A1, A2, A3, and A4 for the 12-month periods ending in December 2012, March 2013, April 2013, and May 2013, resulting in 0.0015 ton of unauthorized MMA.
7. Failed to submit a PCC within 30 days of the end of the certification period and failed to submit a deviation report within 30 days after the end of the reporting period, in violation of 30 TEX. ADMIN. CODE §§ 122.143(4), 122.145(2), and 122.146(2), TEX. HEALTH & SAFETY CODE § 382.085(b), and FOP No. O2418, GTC, as documented during an

investigation conducted on July 25, 2013. Specifically, the PCC for the January 1, 2012 through December 31, 2012 certification period and the deviation report for the July 1, 2012 through December 31, 2012 reporting period were due by January 30, 2013, but were not submitted until August 8, 2013.

III. DENIALS

The Respondent generally denies each allegation in Section II ("Allegations").

IV. ORDERING PROVISIONS

1. It is, therefore, ordered by the TCEQ that the Respondent pay an administrative penalty as set forth in Section I, Paragraph 6 above. The payment of this administrative penalty and the Respondent's compliance with all the terms and conditions set forth in this Agreed Order resolve only the allegations in Section II. The Commission shall not be constrained in any manner from requiring corrective action or penalties for violations which are not raised here. Administrative penalty payments shall be made payable to "TCEQ" and shall be sent with the notation "Re: Chase Industries, Inc., Docket No. 2013-1943-AIR-E" to:

Financial Administration Division, Revenue Operations Section
Attention: Cashier's Office, MC 214
Texas Commission on Environmental Quality
P.O. Box 13088
Austin, Texas 78711-3088

2. The Respondent shall implement and complete a SEP in accordance with TEX. WATER CODE § 7.067. As set forth in Section I, Paragraph 6 above, Fourteen Thousand Nine Hundred Seventy-Nine Dollars (\$14,979) of the assessed administrative penalty shall be offset with the condition that the SEP defined in Attachment A, incorporated herein by reference, is implemented by the Respondent. The Respondent's obligation to pay the conditionally offset portion of the administrative penalty assessed shall be discharged upon final completion of all provisions of the SEP agreement.
3. It is further ordered that the Respondent shall undertake the following technical requirements:
 - a. Within 30 days after the effective date of this Agreed Order:
 - i. Implement measures and/or procedures to ensure that all required records are maintained;
 - ii. Implement measures and/or procedures to ensure compliance with the MMA emission rates for EPNs A1, A2, A3, and A4; and
 - iii. Implement measures and/or procedures to ensure that deviation reports are complete and accurate.

- b. Within 45 days after the effective date of this Agreed Order, submit written certification as described below, and include detailed supporting documentation including photographs, receipts, and/or other records to demonstrate compliance with Ordering Provision No. 3.a. The certification shall be notarized by a State of Texas Notary Public and include the following certification language:

"I certify under penalty of law that I have personally examined and am familiar with the information submitted and all attached documents, and that based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the submitted information is true, accurate and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fines and imprisonment for knowing violations."

The certification shall be submitted to:

Order Compliance Team
Enforcement Division, MC 149A
Texas Commission on Environmental Quality
P.O. Box 13087
Austin, Texas 78711-3087

with a copy to:

Air Section Manager
Harlingen Regional Office
Texas Commission on Environmental Quality
1804 West Jefferson Avenue
Harlingen, Texas 78550-5247


4. The provisions of this Agreed Order shall apply to and be binding upon the Respondent. The Respondent is ordered to give notice of the Agreed Order to personnel who maintain day-to-day control over the Plant operations referenced in this Agreed Order.
5. If the Respondent fails to comply with any of the Ordering Provisions in this Agreed Order within the prescribed schedules, and that failure is caused solely by an act of God, war, strike, riot, or other catastrophe, the Respondent's failure to comply is not a violation of this Agreed Order. The Respondent shall have the burden of establishing to the Executive Director's satisfaction that such an event has occurred. The Respondent shall notify the Executive Director within seven days after the Respondent becomes aware of a delaying event and shall take all reasonable measures to mitigate and minimize any delay.
6. The Executive Director may grant an extension of any deadline in this Agreed Order or in any plan, report, or other document submitted pursuant to this Agreed Order, upon a written and substantiated showing of good cause. All requests for extensions by the Respondent shall be made in writing to the Executive Director. Extensions are not effective until the Respondent receives written approval from the Executive Director. The determination of what constitutes good cause rests solely with the Executive Director.

7. This Agreed Order, issued by the Commission, shall not be admissible against the Respondent in a civil proceeding, unless the proceeding is brought by the OAG to: (1) enforce the terms of this Agreed Order; or (2) pursue violations of a statute within the Commission's jurisdiction, or of a rule adopted or an order or permit issued by the Commission under such a statute.
8. This Agreed Order may be executed in separate and multiple counterparts, which together shall constitute a single instrument. Any page of this Agreed Order may be copied, scanned, digitized, converted to electronic portable document format ("pdf"), or otherwise reproduced and may be transmitted by digital or electronic transmission, including but not limited to facsimile transmission and electronic mail. Any signature affixed to this Agreed Order shall constitute an original signature for all purposes and may be used, filed, substituted, or issued for any purpose for which an original signature could be used. The term "signature" shall include manual signatures and true and accurate reproductions of manual signatures created, executed, endorsed, adopted, or authorized by the person or persons to whom the signatures are attributable. Signatures may be copied or reproduced digitally, electronically, by photocopying, engraving, imprinting, lithographing, electronic mail, facsimile transmission, stamping, or any other means or process which the Executive Director deems acceptable. In this paragraph exclusively, the terms "electronic transmission", "owner", "person", "writing", and "written" shall have the meanings assigned to them under TEX. BUS. ORG. CODE § 1.002.
9. Under 30 TEX. ADMIN. CODE § 70.10(b), the effective date is the date of hand-delivery of the Order to the Respondent, or three days after the date on which the Commission mails notice of the Order to the Respondent, whichever is earlier.

SIGNATURE PAGE

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

For the Commission


For the Executive Director

4/7/15
Date

I, the undersigned, have read and understand the attached Agreed Order. I am authorized to agree to the attached Agreed Order on behalf of the entity indicated below my signature, and I do agree to the terms and conditions specified therein. I further acknowledge that the TCEQ, in accepting payment for the penalty amount, is materially relying on such representation.

I also understand that failure to comply with the Ordering Provisions, if any, in this order and/or failure to timely pay the penalty amount, may result in:

- A negative impact on compliance history;
- Greater scrutiny of any permit applications submitted;
- Referral of this case to the Attorney General's Office for contempt, injunctive relief, additional penalties, and/or attorney fees, or to a collection agency;
- Increased penalties in any future enforcement actions;
- Automatic referral to the Attorney General's Office of any future enforcement actions; and
- TCEQ seeking other relief as authorized by law.

In addition, any falsification of any compliance documents may result in criminal prosecution.


Signature

12/5/2014
Date

DOUG BENNETT
Name (Printed or typed)
Authorized Representative of
Chase Industries, Inc.

SECRETARY
Title

Instructions: Send the original, signed Agreed Order with penalty payment to the Financial Administration Division, Revenue Operations Section at the address in Section IV, Paragraph 1 of this Agreed Order.

Attachment A
Docket Number: 2013-1943-AIR-E
SUPPLEMENTAL ENVIRONMENTAL PROJECT

Respondent:	Chase Industries, Inc.
Penalty Amount:	Twenty-Nine Thousand Nine Hundred Fifty-Eight Dollars (\$29,958)
SEP Offset Amount:	Fourteen Thousand Nine Hundred Seventy-Nine Dollars (\$14,979)
Type of SEP:	Contribution to a Third-Party Pre-Approved SEP
Third-Party Administrator:	Railroad Commission of Texas
Project Name:	<i>Alternative Fuels Clean School Bus Replacement Program</i>
Location of SEP:	Statewide, Preference for Cameron County

The Texas Commission on Environmental Quality ("TCEQ") agrees to offset a portion of the administrative penalty amount assessed in this Agreed Order for the Respondent to contribute to a Supplemental Environmental Project ("SEP"). The SEP Offset Amount is set forth above and such offset is conditioned upon completion of the project in accordance with the terms of this Attachment A.

1. Project Description

a. Project

The Respondent shall contribute the SEP Offset Amount to the Third-Party Administrator named above. The contribution will be to the **Railroad Commission of Texas** for the *Alternative Fuels Clean School Bus Replacement Program*. The contribution will be used in accordance with the SEP between the Third-Party Administrator and the TCEQ (the "Project"). Specifically, the contribution will be used to reduce nitrogen oxides, volatile organic compounds, carbon monoxide, and particulate matter emissions by replacing older diesel buses with newer buses that meet more stringent emission standards.

The Third-Party Administrator shall use the SEP Offset Amount for up to 100% of the purchase price of a propane or natural gas powered school bus that is model year 2010 or newer to public school districts and public charter schools to replace a diesel school bus that is model year 2002 or older. The SEP will be done in accordance with all federal, state, and local environmental laws and regulations.

All dollars contributed will be used for the direct cost of implementing the Project, including but not limited to supplies, materials, and equipment. Any portion of this contribution that is not spent on the specifically identified SEP may, at the discretion of the Executive Director ("ED"), be applied to another pre-approved SEP.

The Respondent's signature affixed to this Agreed Order certifies that it has no prior commitment to make this contribution and that it is being contributed solely in an effort to settle this enforcement action. The Respondent shall not profit in any manner from this SEP.

b. Environmental Benefit

This SEP will directly benefit air quality by reducing harmful exhaust emissions which contribute to the formation of ozone and may cause or exacerbate a number of respiratory diseases, including asthma. In addition, by encouraging less school bus idling, this SEP contributes to public awareness of environmental matters.

c. Minimum Expenditure

The Respondent shall contribute at least the SEP Offset Amount to the Third-Party Administrator and comply with all other provisions of this SEP.

2. Performance Schedule

Within 30 days after the effective date of this Agreed Order, the Respondent must contribute the SEP Offset Amount to the Third-Party Administrator. The Respondent shall make the check payable to **Railroad Commission of Texas SEP** and shall mail the contribution with a copy of the Agreed Order to:

Alternative Energy Division
Railroad Commission of Texas
P.O. Box 12967
Austin, Texas 78711-2967

3. Records and Reporting

Concurrent with the payment of the SEP Offset Amount, the Respondent shall provide the Enforcement Division SEP Coordinator with a copy of the check and transmittal letter indicating full payment of the SEP Offset Amount due to the Third-Party Administrator. The Respondent shall mail a copy of the check and transmittal letter to:

Texas Commission on Environmental Quality
Enforcement Division
Attention: SEP Coordinator, MC 219
P.O. Box 13087
Austin, Texas 78711-3087

4. Failure to Fully Perform

If the Respondent does not perform its obligations under this Attachment A, including full expenditure of the SEP Offset Amount and submittal of the required reporting described in Sections 2 and 3 above, the ED may require immediate payment of all or part of the SEP Offset Amount.

In the event the ED determines that the Respondent failed to fully implement and complete the Project, the Respondent shall remit payment for all or a portion of the SEP Offset Amount, as determined by the ED, and as set forth in the attached Agreed Order. After receiving notice of failure to complete the SEP, the Respondent shall include the docket number of the attached Agreed Order and a note that the enclosed payment is for the reimbursement of a SEP; shall make the check payable to "Texas Commission on Environmental Quality;" and shall mail it to:

Texas Commission on Environmental Quality
Litigation Division
Attention: SEP Coordinator, MC 175
P.O. Box 13087
Austin, Texas 78711-3087

5. Publicity

Any public statements concerning this SEP made by or on behalf of the Respondent, must include a clear statement that **the Project was performed as part of the settlement of an enforcement action brought by the TCEQ**. Such statements include advertising, public relations, and press releases.

6. Clean Texas Program

The Respondent shall not include this SEP in any application made to TCEQ under the "Clean Texas" (or any successor) program(s). Similarly, the Respondent may not seek recognition for this contribution in any other state or federal regulatory program.

7. Other SEPs by TCEQ or Other Agencies

The SEP Offset Amount identified in this Agreed Order has not been, and shall not be, included as a SEP for the Respondent under any other Agreed Order negotiated with the TCEQ or any other agency of the state or federal government.